

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to \$100,000

NCUA

*National Credit Union Administration
a U.S. Government Agency*

FINANCIAL HIGHLIGHTS NOVEMBER 30, 2005

**DENNIS WINANS
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS

November 30, 2005

Balance Sheet:

Other Receivables: Due from Credit Unions — Credit unions with assets of \$50 million or greater that increased in insured shares from January 1, 2005 thru June 30, 2005, were invoiced \$150 million in capitalization deposit adjustments on September 12, 2005. The \$2.1 million represents the remaining outstanding balance that was due on October 18, 2005.

Other Receivables: Loans Due to NCUSIF — is \$0.0 due to a GAAP required loan receivable/payable monthly consolidation between the Share Insurance Fund and AMAC. The pre-consolidated amount for November is \$5.8 million.

Interest Receivable — net decrease of \$11.7 million is due to a combination of \$14.5 million in accrued interest earned in November, and payments of \$26.2 million received by the NCUSIF in November.

Prepaid & Deferred Charges — is \$.4 million for November. \$7.0 million was transferred to the operating fund to cover 57% of the agency's operating costs. November's actual operating costs were \$6.6 million.

Other Assets — represents balance due to the NCUSIF from monies loaned to NCUA for purchase of the King Street building.

Provision for Credit Union Losses (Reserves) — of \$72.3 million includes additional reserves of \$2.3 million added for November.

NCUSIF Equity — remained at 1.29% for November. The equity ratio is based upon an insured share base of \$513.5 billion for June 30, 2005.

Statement of Revenue and Expense:

Investment Income — is approximately \$.8 million more than the previous month due to rising interest rates.

NCUSIF Total Operating Expense — of \$6.9 million includes \$266.1 thousand in direct expenses paid by the NCUSIF for state examiner training, leasing expense for state examiner laptop computers, and other insurance related items.

Insurance Loss — is \$2.3 million for November. This increase is for new reserves or reserve increases for specific problem credit unions.

TABLE 1 - NATIONAL CREDIT UNION SHARE INSURANCE FUND
BALANCE SHEET
NOVEMBER 30, 2005

ASSETS	NOVEMBER 2004	OCTOBER 2005	NOVEMBER 2005
Investments:			
U.S. Government Securities	\$6,353,666,630.35	\$6,579,783,391.10	\$6,610,352,234.32
Advances to Credit Unions:			
NCUSIF Subordinated Notes	0.00	0.00	0.00
Share Deposits	0.00	0.00	0.00
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Total Advances to Credit Unions	0.00	0.00	0.00
Other Receivables:			
Due from Credit Unions	6,910,266.94	8,660,049.67	2,105,140.29
Loans due to NCUSIF	4,495,917.94	0.00	0.00
Recoveries from Liq. CU	16,075,831.45	16,484,855.03	13,274,537.92
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Total Other Receivables	27,482,016.33	25,144,904.70	15,379,678.21
Cash	527,001.53	5,485.63	5,443.05
Interest Receivable	31,734,984.77	49,145,615.61	37,430,359.67
Prepaid & Deferred Charges	810,890.67	1,876,328.32	379,608.62
Leased Assets	551,541.71	171,953.90	137,508.25
Other	25,256,723.68	24,010,939.84	23,902,451.05
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TOTAL ASSETS	\$6,440,029,789.04	\$6,680,138,619.10	\$6,687,587,283.17
	=====	=====	=====
LIABILITIES			
Accounts Payable:			
Liquidation Claims	\$13,380,225.84	\$10,315,700.92	\$8,281,078.20
Other	3,990.74	104,184.86	123,754.09
Check Clearing Accounts	6,780.84	16,019.19	282.41
Dividend Check Clearing	0.00	0.00	0.00
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Total Current Liabilities	13,390,997.42	10,435,904.97	8,405,114.70
Provision for CU Losses (Reserves)	85,440,285.72	69,984,645.12	72,275,821.97
Lease Liabilities	523,953.44	105,557.72	105,710.38
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TOTAL LIABILITIES	\$99,355,236.58	\$80,526,107.81	\$80,786,647.05 1/
EQUITY			
CU Contributed Capital	\$4,943,399,404.11	\$5,129,090,123.78	\$5,127,885,797.61
Retained Earnings	1,397,275,148.35	1,470,522,387.51	1,478,914,838.51
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TOTAL EQUITY	\$6,340,674,552.46	\$6,599,612,511.29	\$6,606,800,636.12
TOTAL LIABILITIES & EQUITY	\$6,440,029,789.04	\$6,680,138,619.10	\$6,687,587,283.17
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COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS
for Period Ending November 30, 2005

	NOV 04	OCT 05	NOV 05
1/ Does not include unreserved contingent liabilities of \$0 in asset guarantees, and \$3.0 million in outstanding line of credit guarantees.			
1. Investments/Total Assets	98.66%	98.42%	98.85%
2. Total Equity/Insured Shares	1.28%	1.29%	1.29%
3. Prov. for Losses/CU Capital	1.73%	1.36%	1.41%
4. Non-Earning/Total Assets	0.95%	1.22%	0.80%
5. Available Asset Ratio	1.24%	1.25%	1.26%

TABLE 2 - STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING NOVEMBER 30, 2005

INCOME	CURRENT MONTH	CURRENT MONTH BUDGET	CY TO DATE 2005	CY TO DATE BUDGETED 2005	CY TO DATE 2004
Investment Income	\$17,545,026.13	\$15,700,000.00	\$156,411,654.25	\$147,500,000.00	\$113,852,607.87
Other Income	55,211.12	44,000.00	583,096.21	\$484,000.00	473,017.93
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Total Income	17,600,237.25	15,744,000.00	156,994,750.46	147,984,000.00	114,325,625.80
EXPENSE					
Employee Pay	\$4,034,787.00	4,309,162.34	\$43,596,859.27	46,630,983.28	44,741,642.33
Employee Benefits	\$991,396.92	1,113,039.49	\$11,113,000.37	12,050,360.99	11,158,618.83
Employee Travel	\$585,358.70	608,897.60	\$5,912,161.07	6,697,873.61	6,050,439.53
Rent/Communications/Utilities	\$251,586.02	186,679.74	\$2,029,553.48	2,053,477.19	2,214,151.25
Administrative Costs	\$444,629.65	498,672.47	\$6,153,476.60	5,485,397.12	5,158,272.40
Contracted Services	\$312,633.09	393,604.84	\$2,924,350.65	4,329,653.28	2,889,795.16
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Subtotal NCUA Operating Exp.	6,620,391.38	7,110,056.48	71,729,401.44	77,247,745.48	72,212,919.50
AMAC Expense	(326.11)	1,589.33	0.00	17,482.63	30,848.63
Training Expense	228,044.22	90,000.00	1,120,464.73	990,000.00	919,907.04
Leasing Expense	34,598.31	35,000.00	382,441.64	385,000.00	390,047.52
Other Insurance Expense	3,806.09	3,500.00	43,376.84	38,500.00	32,774.17
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Total Operating Exp.	6,886,513.89	7,240,145.81	73,275,684.65	78,678,728.11	73,586,496.86
Insurance Loss	2,321,272.36	1,500,000.00	20,968,484.85	16,500,000.00	12,258,134.22
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Total Expense	9,207,786.25	8,740,145.81	94,244,169.50	95,178,728.11	85,844,631.08
NET INCOME	\$8,392,451.00	\$7,003,854.19	\$62,750,580.96	\$52,805,271.89	\$28,480,994.72
	=====	=====	=====	=====	=====
Retained Earnings, Beginning of Year			\$1,416,164,257.55		\$1,368,794,153.63
Prior Year Adjustment			0.00		0.00
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As Restated			1,416,164,257.55		1,368,794,153.63
Net Income			62,750,580.96		28,480,994.72
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			1,478,914,838.51		1,397,275,148.35
Dividends			0.00		0.00
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Retained Earnings, Year To Date			\$1,478,914,838.51		\$1,397,275,148.35
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Comparative Analysis of NCUSIF Ratios for November 30, 2005

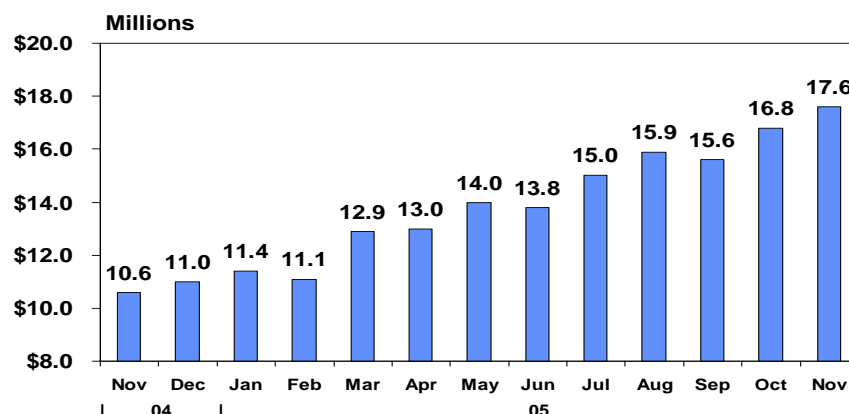
INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	PRIOR CYTD	CURRENT CYTD
1. Oper. Exp./Total Income	31.58%	39.13%	64.37%	46.67%
2. Ins. Loss/Total Income	3.97%	13.19%	10.72%	13.36%
3. Total Exp./Total Income	35.55%	52.32%	75.09%	60.03%
4. Net Income/Total Income	64.45%	47.68%	24.91%	39.97%
5. Ins. Loss/Insured Shares	0.00%	0.00%	0.00%	0.00%

TABLE 3 - STATEMENT OF CASH FLOWS
November 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:	
Income from investments	\$157,227,262.42
Other income received	583,096.21
Cash paid for operating expenses	(74,449,614.76)
Net cash (paid) received for insurance losses	<u>(15,783,058.98)</u>
Net cash provided by operating activities	67,577,684.89
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investments, net	(253,015,288.83)
Collections on note receivable - National Credit Union Administration Operating Fund	<u>1,242,427.84</u>
Net cash provided by (used in) investing activities	(251,772,860.99)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Contributions from insured credit unions Cont Cap acct	184,195,216.14
Dividends to insured credit unions	<u>0.00</u>
Net cash provided by financing activities	184,195,216.14
NET INCREASE (DECREASE) IN CASH	40.04
CASH, BEGINNING OF YEAR	5,403.01
CASH, ENDING NOVEMBER 30, 2005	<u><u>\$5,443.05</u></u>

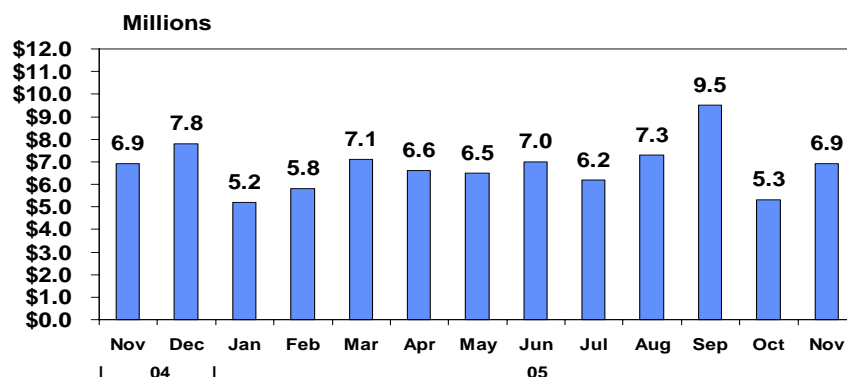
GROSS INCOME

November 04 – November 05



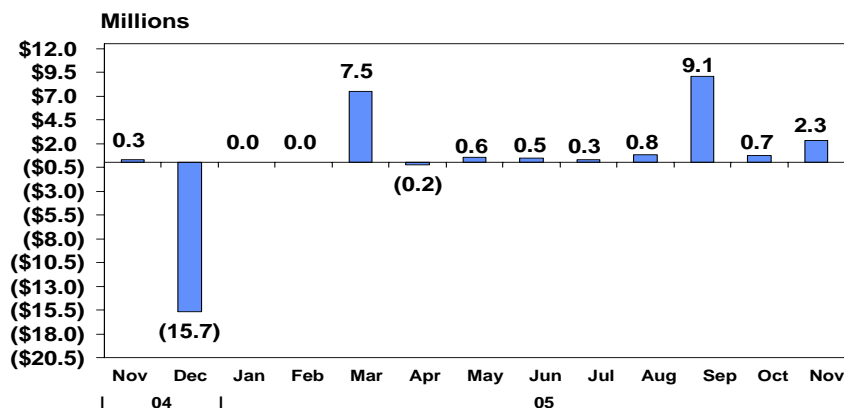
OPERATING EXPENSE

November 04 – November 05



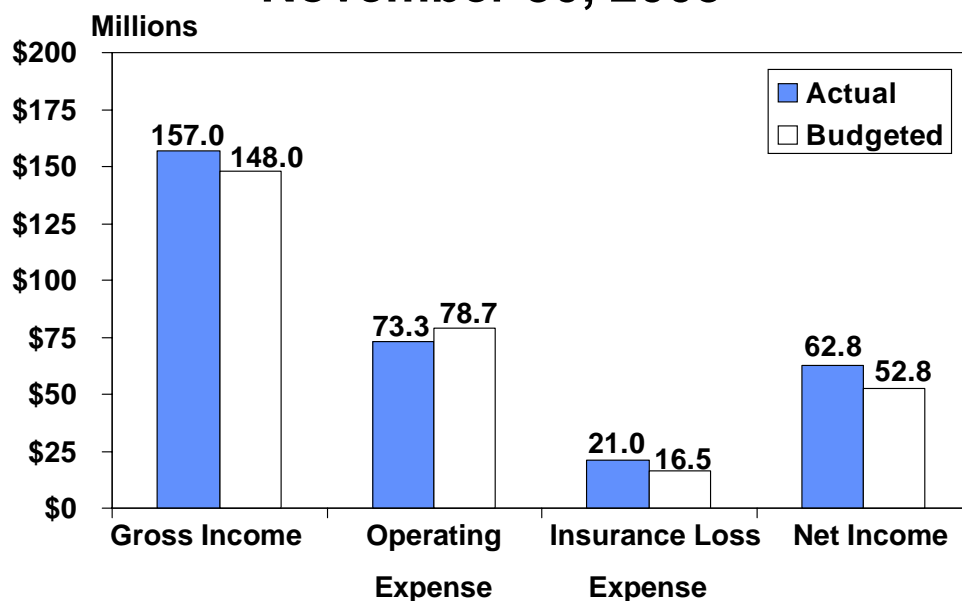
INSURANCE LOSS EXPENSE

November 04 – November 05



REVENUE AND EXPENSE

November 30, 2005



NCUSIF EQUITY RATIO

NOVEMBER 30, 2005

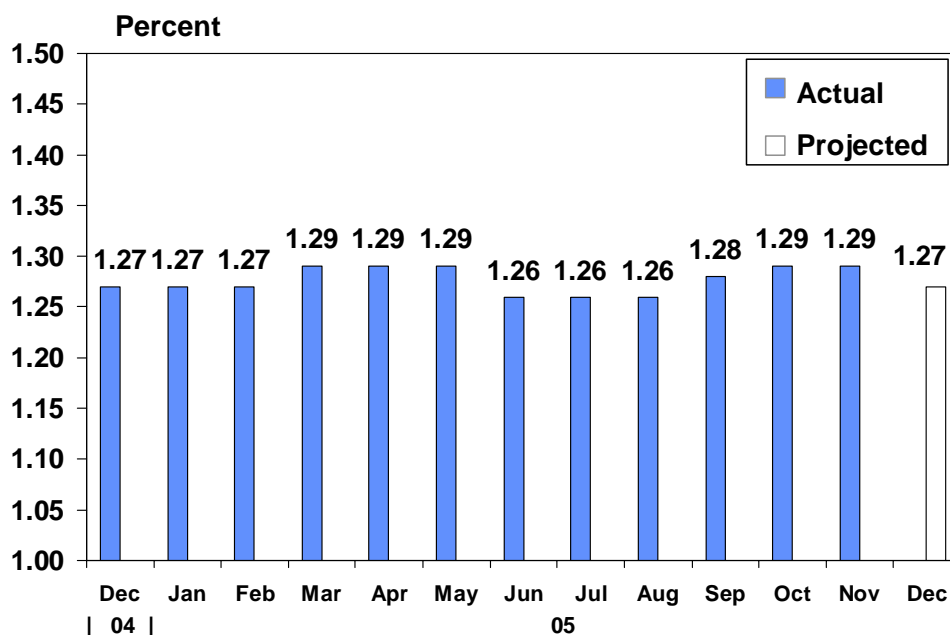


TABLE 4

INVESTMENT PORTFOLIO SUMMARYNovember 30, 2005

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	(Gain or Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$1,799,875,000	\$1,799,875,000	\$0	100.0%	3.96%
U.S. Treasury Notes	\$4,810,477,235	\$4,747,640,625	(\$62,836,610)	98.7%	2.95%
TOTAL	\$6,610,352,235	\$6,547,515,625	(\$62,836,610)	99.1%	3.21%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY05 Revised Projections	
Investment Yield	2.95%	3.19%	2.62%	2.75%	
Investment Income	\$16,706,522	\$17,545,026	\$156,411,654	163 Million	
Income Budgeted	\$15,700,000	\$15,700,000	\$147,500,000	163 Million	
Income/Budgeted Ratio	106.4%	111.8%	106.0%	100.00%	
Weighted Avg. Maturity in Days	428	404			
III. MONTHLY ACTIVITY					
Purchase	Type	Amount	Maturity	Yield	
TOTAL		\$0			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	2,099.9				
3 months - 1 year	1,800.0				
1 year - 2 years	1,700.0				
2 years - 3 years	600.0				
3 years - 4 years	0.0				
4 years - 5 years	400.0				
TOTAL	\$6,599.9				

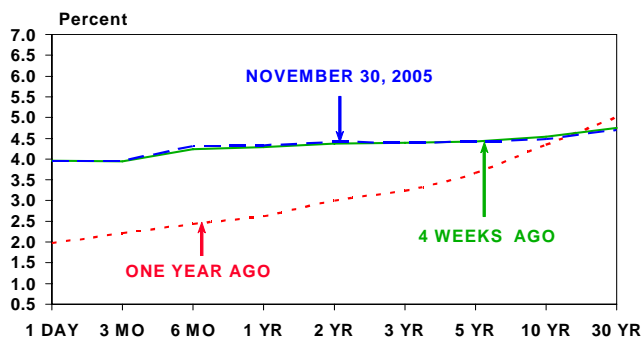
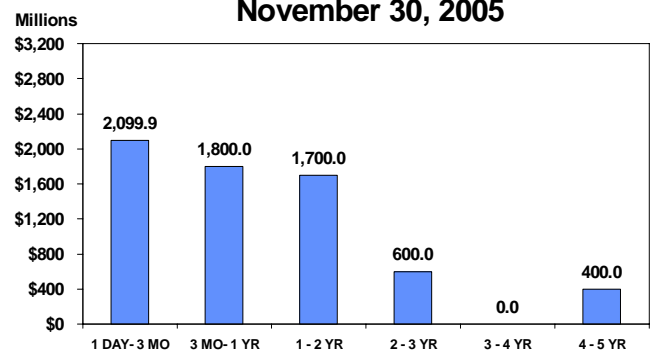
TREASURY YIELD CURVE**MATURITY SCHEDULE****November 30, 2005**

TABLE 5

MONTHLY YIELD COMPARISONS**November 30, 2005**

YIELD COMPARISONS								
	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05
NCUSIF Yield	2.43%	2.52%	2.56%	2.69%	2.84%	2.89%	2.95%	3.19%
90 day T-Bill	2.89%	2.97%	3.12%	3.39%	3.51%	3.53%	3.95%	3.94%
1 year T-Bill	3.33%	3.28%	3.45%	3.78%	3.76%	3.98%	4.28%	4.33%
2 year T-Note	3.65%	3.55%	3.67%	4.02%	3.84%	4.16%	4.39%	4.40%
30 year T-Note	4.51%	4.31%	4.21%	4.49%	4.28%	4.57%	4.74%	4.69%

YIELD COMPARISONS

November 30, 2005

